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ECONOMY REGENERATION & HOUSING COMMITTEE

Tuesday, 16 July 2024

Present: Councillor T Jones (Chair)

Councillors GJ Davies A Gardner
A Davies J Bird
M Skillicorn E Lamb
G Wood E Tomeny
A Hodson H Raymond

82 **WELCOME AND INTRODUCTION**

The Chair opened the meeting and reminded everyone that the meeting was being webcast and a copy is retained on the Council's website for two years.

83 **APOLOGIES**

The Chair informed the committee that no apologies had been received.

84 **MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any items on this agenda and, if so, to declare them and state the nature of the interest.

Councillor Angela Davies declared a prejudicial interest in Item 10. Cheshire and Mersey Learning and Disability and Autism Housing Strategy, by virtue of her employment. She indicated that she would leave the chamber during the debate on this item.

Councillor Ed Lamb declared a prejudicial interest in item 6. Approval of Masterplans for Neighbourhood Framework – Cleveland Street Neighbourhood, Northside, Dock Branch Neighbourhood and New Brighton Marine Promenade, by virtue of his business links. He indicated that he would leave the chamber during the debate on this item.

85 **MINUTES**

Resolved –That the minutes of the meeting held on 27 March 2024 be approved as a correct record.

86 PUBLIC AND MEMBER QUESTIONS

No questions, statements or petitions from the public or Councillors had been received.

86.1 Public Questions

Cathy Roberts was not in attendance and the Lead Principal Lawyer read out their question on their behalf. The questioner asked for an update to be included on the masterplan for the New Brighton Marine Promenade, to reflected a proposal to restore the existing New Palace building on the Marine Promenade as a heritage asset.

The Chair in response stated that the masterplan covered the period of the Local Plan up to 2040. He noted that this site was allocated for residential development in the draft Local Plan and that the masterplan set out a design code to support Local Plan Policy RA10. He also noted that the Council had engaged with landowners within the masterplan boundary while developing the Local Plan and masterplan and stated that the owner of the New Palace and Adventureland site had confirmed to the Council in 2023 that they were intending to bring forward a mixed use scheme on the site. He noted that this site was not listed and does not meet the criteria to become listed.

Lou Stothard was not in attendance and the Lead Principal Lawyer read out their question on their behalf. They asked what recompense and right of appeal would be offered to the businesses and retailers along Grange Road West, Charing Cross, Exmouth Street, Whetstone Land and Grange Road, Birkenhead to the closure, demolition, and alteration of that area for an indefinite period from 8 July 2024.

The Chair responded that Grange Road remained open for business and the contractors would ensure that public access to all business remains throughout the works. Following completion of the works the improvements would improve the attractiveness and accessibility of the shopping area. He noted that a public and stakeholder consultation (Phase 1) on the concept design of the scheme was undertaken between 28 November 2022 and 22 January 2023. This was undertaken on Have your Say and promoted on social media and in the press. Prior to this a separate consultation targeting local businesses only was undertaken. He also noted that a further statutory public consultation (Phase 2) on the proposed Traffic Regulation Orders was then undertaken between 28 June 2023 and 19 July 2023. This was undertaken on Have your Say and promoted on social media and in the press. Letters from the local authority and the contractor went to nearby households, businesses and stakeholders at the end of April 2024 to inform people that work was shortly going to be starting on site for both schemes. A further letter went to the same mailing list towards the end of May 2024 advising them in advance of the start of the tree works.

He noted that the works were due to finish in Summer 2025.

86.2 **Statements and Petitions**

The Chair informed the committee that no statements or petitions had been received.

86.3 **Questions by Members**

The Chair informed the committee that no questions had been submitted by Members.

87 **APPROVAL OF MASTERPLANS AND NEIGHBOURHOOD FRAMEWORK – CLEVELAND STREET NEIGHBOURHOOD, NORTHSIDE, DOCK BRANCH NEIGHBOURHOOD & NEW BRIGHTON MARINE PROMENADE**

The Head of Regeneration Delivery presented the report of the Director of Regeneration and Place. The report noted that the Council had been developing its regeneration strategy for Wirral Left Bank for a number of years. The Birkenhead 2040 Framework was endorsed by this Committee as the interim Regeneration strategy for Wirral in March 2022. It set out that delivery of the Birkenhead 2040 Framework would be supported by more detailed Neighbourhood Frameworks and Masterplans setting out the regeneration objectives and strategies for specific areas. Policy WS6.3 of the emerging Local Plan also required Masterplans to be approved for specified areas to ensure that development is coordinated and comprehensively planned.

Five of these documents were detailed in the report, four of which were recommended for adoption:

1. Cleveland Street Neighbourhood Masterplan
2. Northside Neighbourhood Framework
3. Scott's Quay Neighbourhood Framework
4. Dock Branch Neighbourhood Masterplan
5. New Brighton Marine Promenade Masterplan

The adopted masterplans would be a material consideration in the consideration of any planning applications submitted within the masterplan boundary, with all new development expected to conform to the masterplan proposals and requirements.

The adopted Neighbourhood Framework would be a material consideration in the determination of development in the area and will help guide future development.

The Scott's Quay Neighbourhood Framework was recommended for withdrawal as the council's regeneration strategy for the area, following the proposed modifications withdrawing the Regeneration Area and associated site allocations from the Local Plan. Further work would be undertaken to explore the constraints and work with stakeholders to determine a sustainable regeneration strategy for the area.

Members thanked officers involved for the report and the work involved in getting the masterplan documents together. They asked for further information on plans for moving businesses out of the area as part of the Cleveland Street Neighbourhood Masterplan, what action might be taken regarding air pollution in the area and what improvements in public transport were likely to be made in the masterplan areas.

Officers responded by noting that the Council was looking to relocate businesses within Cleveland Street and stated that a site within Northside had been acquired for those businesses. They noted that the Council was keen to keep local businesses in the area and to find them new and suitable locations.

In relation to air pollution, officers noted that the Council had established an Air Quality Action Plan, and that work was ongoing to improve air quality across the borough.

The Head of Regeneration Delivery noted that the masterplans do not specifically address public transport, but that work was being undertaken in those areas as part of the Mass Transit Network, which had been promoted by the Council and included the future use of the Belfast Glider bus type and that discussions with the Liverpool City Region Combined Authority to fund this were still ongoing.

Members asked for further information on the Dock Branch Park plans and the acquisition negotiations with Network Rail.

The Head of Regeneration Delivery explained that there were 2 pieces of work being undertaken to this end, with a survey of bridges and structures having been undertaken and a report on this due to be delivered by the end of July 2024, as well as a jointly commissioned valuation with Network Rail underway.

The Chair asked the Head of Regeneration Delivery to feed back the thanks of the committee to all officers that had worked on the Masterplan documents.

Resolved – That

- 1. The Cleveland Street Neighbourhood Masterplan be adopted as the council's approved planning strategy for the area;**
- 2. The Northside Neighbourhood Framework be approved as the council's approved regeneration strategy for the area;**
- 3. The Scott's Quay Neighbourhood Framework be withdrawn and the Director of Regeneration and Place be authorised to continue to work with Stakeholders to develop a regeneration strategy for the area;**
- 4. The Dock Branch Neighbourhood Masterplan be adopted as the Council's approved planning strategy for the area; and**

5. The New Brighton Marine Promenade Masterplan be adopted as the Council's approved planning strategy for the area.

88 REALLOCATION OF TRANSPORT SHED TOWN DEAL GRANT FUNDING

The Assistant Director for Special Projects presented the report of the Director of Regeneration and Place. The report noted that the Transport Shed was a project involving the creation of a facility to exhibit the transport collection of National Museum Liverpool. The project had been found to be undeliverable for the £6.35m budget in the timeframe required.

This report outlined an alternative proposal of a comprehensive redevelopment and expansion of the existing Wirral Transport Museum. The aim would be to greatly enhance the existing heritage visitor attraction, meet the outputs of the funding grant and ensure that the building was sustainable and fit for purpose for generations to come.

This report proposed allocating £4,500,000 to this expansion, with any funds remaining on the original allocation made available to other regeneration projects.

The Assistant Director for Special Projects noted that if the recommendations were agreed, they would be subject to further work to develop funding and further stages of due diligence.

The Chair proposed the recommendations as published in the report and this was seconded by Councillor Andrew Hodson.

Members praised the proposal but queried why the accounts for Big Heritage were not published on Companies House and asked for further information on the financial risks involved.

The Assistant Director for Special Projects noted that Big Heritage had changed their year end and HMRC and Companies House had not yet updated their websites to reflect this. He assured Members that the Council had sight of their accounts and that these would soon be shown on Companies House.

Members stated the need for any changes to the Transport Museum to accommodate the needs of as many people as possible and to make the space as accessible as possible.

The Assistant Director for Special Projects noted that Big Heritage were planning to make the site much more accessible.

Councillor Jo Bird moved the following amendment to the motion, which was seconded by Councillor Ed Lamb, which would have had the effect of the motion as amended reading as follows:

The Economy, Regeneration and Housing Committee is recommended to approve;

1. The Full Business Case attached as exempt Appendix 1 of the report be approved; and
2. The principle of the re-allocation of £4,500,000 by way of grant funding to Big Heritage CIC for the delivery of the expansion and renovation of Wirral Transport Museum as set out in the Full Business Case be approved; and
3. The Director of Law and Corporate Services be authorised, in consultation with the Director of Finance, to finalise any associated grant agreement with Big Heritage CIC subject to no significant unmitigated risks being revealed by the accounts of Big Heritage CIC after their publication by Companies House, nor by financial information yet to be received for the period up to February 2024.

The amendment was then put to the vote and lost (4:7).

The substantive motion was then put and was:

Resolved (8:0:3) - That

- 1. The Full Business Case attached as exempt Appendix 1 of this report be approved; and**
- 2. The re-allocation of £4,500,000 by way of grant funding to Big Heritage CIC for the delivery of the expansion and renovation of Wirral Transport Museum as set out in the Full Business Case be approved; and**
- 3. That the Director of Law and Corporate Services be authorised to finalise any associated grant agreement with Big Heritage CIC.**

89 **MARITIME KNOWLEDGE HUB**

The Head of Asset Management presented the report of the Director of Regeneration and Place. The report noted that the derelict Grade II listed Hydraulic Tower on Tower Road, Birkenhead was the subject of a proposal from the landowner (Peel) to deliver a Maritime Knowledge Hub, which sought to create a Building Research Establishment Environmental Assessment Methodology (BREEAM) Excellent, industry led, world class centre of excellence for maritime business growth, innovation and sector development. The investment sought would seek to repurpose an existing water-side asset which sat at the heart of the Left Bank regeneration area to create a destination for maritime collaboration, with water access for research and development, testing and training and views across to Liverpool's iconic skyline. The economic impact assessment contained in the Outline Business Case appended to this report

identified that the scheme could deliver net economic benefits of £18.18m, creating 48,750 sq ft of business, teaching and workspace and 275 jobs.

The report noted that the committee had considered the subject matter on 27 March 2024 when it agreed to authorise the Director of Regeneration and Place to further develop the proposals for the development of a Maritime Knowledge Hub on the site of the hydraulic tower with a view to bringing back a more detailed report to a future meeting of this Committee. Members also requested more information on a number of matters including a heritage solution, changing the arrangements around the rent headroom, asset acquisition, loan finance and the creation of an SPV (Special Purchase Vehicle).

The report set out the outcome of this work, specifically, the committee was asked to consider the transaction set out in the report and choose whether or not to agree to the heads of terms. It noted that the ability to proceed with this development was reliant on getting to a position of an agreed Heads of Terms with the Council, an agreed funding model with the Liverpool City Region Combined Authority (LCRCA) which would then be subject to passing the public sector subsidy assessment. In addition, due to a change in circumstances, the developer, Peel, would need to revisit the issues relating to planning consent. Following Committee's decision there would be a requirement for the LCRCA to consider the matter and consider whether or not it wishes to invest in the scheme.

The Director of Finance added that a lot of work had gone into making the scheme viable and noted that it was an exciting proposition for the area, however the Council's financial position had to be taken into account, and it could not afford to take these plans forward.

Members noted that it was disappointing that the decision not to proceed was before them, but understood the position the Council was in. They sought clarity on whether development might be considered in the future.

The Director of Finance confirmed that by agreeing the recommendations, it would not mean that development couldn't be considered in the future, he also noted that Peel would like to look into options for the site in the future. The Assistant Director of Property and Regeneration Investment added that the Council had been in negotiations with Peel for some time and that these would continue.

Resolved – That

- 1. The work completed since the previous update to Committee on this matter be noted.**
- 2. The regeneration benefits that the delivery of a Maritime Knowledge Hub on this site would deliver along with the risks to the Council should the committee choose to progress with the proposal be noted.**

3. **The risks to the Council should committee choose to progress the proposal be noted.**
4. **The Director of Regeneration and Place be directed to bring discussions on this matter to a close with Peel LLP and not proceed to agree the Heads of Terms.**

90 THE HYTHE: PUT/CALL OPTION

The Assistant Director for Property and Regeneration Investment presented the report of the Director of Regeneration and Place. The report provided an update on the Hythe Put/Call option that the Council entered into with Peel Land and Property (intermediate) in September 2020 (which was subsequently novated to Peel L&P (Ports No3) Limited) and set out a series of options that were available to the Council in the event that Peel exercised its put option which would commit the council to purchase a 250 year leasehold interest in The Hythe from Peel.

The report noted that Cabinet, on 30th September 2019, approved the Council entering into a put/call option with Peel to enable them to nullify the risk of them constructing The Hythe, a speculative 3,116sq.m Grade 'A' office on Tower Road.

The project which achieved practical completion in December 2021 had been successful from a regeneration perspective as it had resulted in:

- The construction of a Building Research Establishment Environmental Assessment Method (BREEAM) excellent rated Grade 'A' office building in the Four Bridges neighbourhood of Wirral Waters;
- An office space which had the potential to enable up to 280 gross direct and indirect jobs;
- 1 acre of brownfield land developed;
- 150 college students being assisted in their skills development; and
- Support for the development of the Mersey Waters Enterprise Zone by attracting occupiers to Wirral Waters.

Members queried whether the council had explored the reasons why the ground floor of the Hythe building had not been let with Peel and what they had done to get it occupied. The Assistant Director for Property and Regeneration Investment responded that the council was working with Peel as well as a third party to determine office need.

Members raised that a contributing factor for not fully letting the building was likely to be a lack of public transportation and asked what was being done to improve this. The Assistant Director for Property and Regeneration Investment

noted that public transportation was part of the overall regeneration plan and was being looked into.

Cllr Jo Bird requested a report on public transportation in the area and noted that this had been asked for previously. The Chair agreed that this could be added to the Work Plan for the committee.

Members queried what the current contracts were like for current occupants of the Hythe building and how that might affect the valuation of the building. The Assistant Director for Property and Regeneration Investment noted that those contracts were being investigated and that the council was aware of the need to protect its void liability.

Resolved – That the potential increase to the capital programme of £4.985m (plus, if applicable, associated purchaser’s costs including Stamp Duty Land Tax and legal and surveying fees estimated to be £270,000) for the potential purchase of the Hythe be noted.

91 **CHESHIRE & MERSEY LEARNING DISABILITY & AUTISM HOUSING STRATEGY**

The Head of Integrated Services presented the report of the Director of Care and Health. The report provided a summary of the Cheshire and Merseyside commissioning work programme for “Independent and Fulfilling Lives” and the development of a Learning Disability and Autism Housing Strategy. The strategy had been jointly produced with the Housing Learning and Improvement Network and would support a framework for all commissioners when assessing local housing need for this cohort of people and supporting new developments, alongside general housing to meet those needs.

The report noted that the same report previously been considered by the Adult Social Care and Public Health Committee on 5 March 2024. That committee had resolved that:

1. The Cheshire and Merseyside Learning Disability and Autism Housing Strategy as set out in Appendix 2 to this report be approved; and
2. The report be considered for information at the Economy, Regeneration and Housing Committee and the Children, Young People and Education Committee at a future date to be agreed

Members thanked the Head of Integrated Services for the report and queried why Wirral had such a high predicted need of an additional 259 units of accommodation.

The Head of Integrated Services noted that there was no direct reason other than the demographic needs of the population of Wirral.

Resolved – That the Cheshire and Merseyside Learning Disability and Autism Housing Strategy as set out in Appendix 2 to this report be noted.

92 **2023-2024 REVENUE OUTTURN**

The Head of Finance – Place presented the report of the Director of Regeneration and Place. The report provided a summary of the year-end revenue and capital position for the 2023/24 financial year as at the end of March 2024. The report provided Members with an overview of budget performance, including progress on the delivery of the 2023/24 saving programme and a summary of reserves and balances, to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

The year-end revenue outturn for 2023/24, represented a favourable variance of £41k against directorate revenue budgets of £14.779m, which was a £0.7m improvement from the quarter 3 forecast, largely due to use of reserves and maximising the use of grants. Capital outturn was £35.898m.

Resolved – That

- 1. The draft, unaudited 2023/24 outturn favourable Directorate variance of £0.041m be noted;**
- 2. The progress on delivery of the 2023/24 savings programme be noted;**
- 3. The transfer to and use of earmarked reserves, as detailed in Appendix 1 to this report be noted; and**
- 4. The draft, unaudited 2023/24 capital outturn position of £35.898m be noted.**

93 **BUDGET MONITORING AND BUDGET SETTING PROCESSES**

The Head of Finance – Place presented the report of the Director of Finance. The report set out how the 2024/25 budget would be monitored through the Committee system, which would facilitate the Policy and Services Committees (the Committees) to take ownership of their specific budgets and present appropriate challenge and scrutiny of Officers on the management and performance of those budgets.

The concurrent activity of budget setting for 2025/26, and how this would be approached, was also set out in the report; incorporated in which were:

- Revisions to the approved Medium Term Financial Plan – the formulation of savings proposals and presentation of pressure/growth items;

- The application of the Medium Term Financial Strategy principles that underpin the budget process and decision-making, with links to the Council Plan;
- How savings plans were to be configured;
- Considerations of requisite consultation exercises; and
- The role of the Finance Working Group.

Resolved – That

- 1. The process for in-year monitoring of the 2024/25 budget be noted; and**
- 2. The proposed approach to 2025/26 budget setting and the key assumptions that will be used be noted.**

94 **2024/25 BUDGET MONITORING FOR QUARTER ONE (THE PERIOD TO 30 JUNE 2024)**

The Head of Finance – Place presented the report of the Director of Regeneration and Place. The report set out the financial monitoring information for the Council as at Quarter 1 (30 June) of 2024/25. The report provided Members with an overview of budget performance, including progress on the delivery of the 2024/25 saving programme and a summary of reserves and balances, to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

At the end of Quarter 1, there was a forecast balanced position against the £15.843m committee budget, by managing the use of grants and reserves to address the pressures being faced. This position was based on activity to date, projected trends in income and expenditure and changes to Council funding.

Members asked for further information on the capitalisation of staff costs and whether the costs related to additional full time salaries.

The Head of Finance – Place responded that it was not additional cost but that capitalising these salaries meant that they didn't need to be paid from revenue budgets or reserves.

Members queried the 'robust vacancy management process' mentioned in the report and asked for further details.

The Director of Finance noted that the vacancy management process was not in place to restrict recruitment to areas that required staff, such as social care,

social workers and other frontline services, but that other recruitment would focus on internal recruitment first before looking externally.

Resolved – That

- 1. The Committee forecast position of a balanced budget of £15.843m at Quarter 1, managed by utilising grants and earmarked reserves be noted;**
- 2. The progress on delivery of the 2024/25 savings programme at Quarter 1 be noted;**
- 3. The forecast level of reserves at Quarter 1 be noted; and**
- 4. The capital position at Quarter 1 be noted.**

95 **APPOINTMENT OF PANELS, STATUTORY ADVISORY COMMITTEES AND WORKING PARTIES 2024/25**

The Lead Principal Lawyer presented the report of the Director of Law and Corporate Services. He noted that the purpose of the report was to enable the Committee to review the continuing need for various panels, statutory/ advisory Committees and working parties, and to appoint Members and named deputies to serve on those (including the statutory committees and panels) that were to be retained in 2024/25.

Members queried the terms of reference for the Active Travel Working Group, which state that it would meet every four weeks.

The Chair noted that setting dates would occur after Members of the Active Travel Working Group had been agreed and met for the first time, he also noted that the group had met in the past only when it had work to do and felt that there was no point in it meeting unless there was something it needed to consider.

Resolved – That the Monitoring Officer as proper officer be authorised to carry out the wishes of the Group Leaders:

- 1. In allocating Members to membership of the Active Travel Member Working Group and to appoint those Members with effect from the date at which the proper officer is advised of the names of such Members with 4 Members from Economy Regeneration and Housing Committee and 4 Members from Environment, Climate Emergency and Transport Committee with 1 Member from each political group from each committee; and**
- 2. In allocating Members to membership of a Policy Development Review Task and Finish Group and to appoint those Members with**

immediate effect from the date at which the proper officer is advised of the names of such Members with 4 Members from Economy Regeneration and Housing Committee with 1 Member from each political group.

96 **WORK PROGRAMME**

The Lead Principal Lawyer presented the report on behalf of the Chair of the Committee. Members were informed that the work programme should align with the corporate priorities of the Council, in particular the delivery of the key decisions which are within the remit of the Committee.

Members requested that meetings and workshops be scheduled later in the day as those Members that work struggled to make earlier meetings.

Members requested a report on the Wirral Waters Investment Fund, as well as a report on trading account income from assets owned by the Council.

The Assistant Director for Property and Regeneration Investment stated that these would be added to the work programme at the Chair's agreement and that he would consult with colleagues in the Law and Corporate Services directorate regarding what information could be shared regarding the councils trading account income.

Members queried whether information could be made available regarding the regeneration delivery plan.

The Assistant Director for Property and Regeneration Investment noted that he had previously committed to provide a further update at the last Members workshop on the regeneration delivery plan and intended to schedule that at some point in September 2024.

Resolved – That the Economy Regeneration and Housing Committee work programme for the remainder of the 2024/25 municipal year be agreed.

97 **EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC**

Resolved – That, under section 100 (A) (4) of the Local Government Act 1972, the following appendices be deemed to be exempt from publication on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part I of Schedule 12A (as amended) to that Act.

Reallocation of Transport Shed Town Deal Grant Funding – Exempt Appendix 1.

Maritime Knowledge Hub – Exempt Appendices 2, 3, 4 and 5.

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